

Healthcare Information Division

Accounting and Reporting Systems Section

400 R Street, Suite 250

Sacramento, California 95811

(916) 326-3854

Fax (916) 323-7675

www.oshpd.ca.gov

**Instructions for Completing and Submitting
Average Charge for 25 Common Outpatient Procedures
Required by Payers' Bill of Rights**

For Reports Due July 1, 2008

Legal Requirements

AB 1045 (Chapter 532, Statutes of 2005) amended the Payers' Bill of Rights established by AB 1627 (Chapter 582, Statutes of 2003) and requires each general acute care hospital, acute psychiatric hospital, and special hospital to annually submit the average charge for 25 common outpatient procedures on July 1, using prices in effect on June 1 of that year. Following the adoption of Section 96010 of Title 22 of the California Code of Regulations in May 2006, reporting under AB 1045 began in July 2006.

AB 1045 gives OSHPD the authority to develop a uniform reporting form for the 25 common outpatient procedures and to require its usage, after the adoption of necessary regulations. Hospitals are still required to submit a copy of its chargemaster and the estimated percent change in gross revenue due to price changes.

Approach Used to Design Form

During the initial reporting cycle in 2006, many hospitals inquired whether OSHPD would develop a uniform reporting form to simplify the reporting process. In response to these inquiries, OSHPD explored the feasibility of a uniform reporting form with the understanding that developing a single form that works for most facility types would be a challenge.

First, we compiled and analyzed the outpatient procedures reported to OSHPD in 2006 under AB 1045 and compared this information against the patient-level principal procedures reported by hospital-based ambulatory surgery centers. Next, the list of procedures was compared against utilization data obtained from the Department of Health Services (DHS) and the Center for Medicare and Medicaid Services (CMS). Finally, a copy was sent to several industry organizations and associations for distribution and feedback, resulting in some minor changes. To comply with the AB 1045 reporting requirements specified in regulation, the form was designed to be completed and submitted using Microsoft Excel (.xls)



General Instructions

Completion and submission of this form is voluntary because OSHPD has not adopted regulations to require its usage. However, OSHPD encourages its use as a means to simplify the reporting burden on hospitals and to provide more comparable data to the public. In 2007, over 85% of the hospitals submitted the OSHPD form.

The form contains 50 common outpatient procedures, separated into sections according to CPT code classification. Hospitals must report the average charge for at least 25 procedures to comply with AB 1045, but may report charges for more than 25 procedures. To help hospitals meet the minimum 25 procedure requirement, the average charge for up to 10 unlisted procedures may be reported.

To provide maximum flexibility, the Excel form is unprotected. Avoid changing the procedure descriptions and/or CPT codes listed on the form, since any changes will affect compilations performed by OSHPD. Additionally, do not add and/or insert rows. Use the rows provided under Other Common Outpatient Procedures to report unlisted procedure information.

The average charge column is formatted to two decimal places. Thus, entering "1250" or "1250.00" will result in a reported average charge of "\$1,250.00".

The CPT codes listed on the form are based primarily on the frequencies across hospital-based ambulatory surgery data. The CPT codes are included on the form to assist hospitals and the public in identifying the listed procedures. **All ancillary charges (e.g., supplies, drugs, lab tests, operating room use, etc.) that are commonly performed and billed with each procedure are to be included for that procedure.** The reported average procedure charge should approximate the total charges a patient would expect to see on a bill if that procedure and related ancillary services were performed. An exception exists for Emergency Room Visits and Outpatient Visits under Evaluation and Management Services, where only the service charge is to be reported.

Detailed Instructions for Completing Form (Using Microsoft Excel)

1. Enter the hospital's name and OSHPD facility number by editing cells A:1 and A:2, respectively. The OSHPD facility number is the nine-digit number used by OSHPD to identify each hospital licensee and begins with "106".
2. Edit the effective date of charges of June 1, 2008 in cell A:3, if necessary.
3. Enter the average charge for at least 25 procedures in cells C:7 through C:60. The average charge for more than 25 procedures may be reported. Be sure to include the charges for all related ancillary services that are typically performed and billed with that procedure. This requirement is particularly relevant to surgical procedures listed under Surgery Services in rows 44 through 60.

If you are unable to report charges for at least 25 procedures from the provided list, you may enter up to 10 procedures under Other Common Outpatient Procedures in rows 62 to 71. Enter a description of the procedure, the CPT code associated with that procedure, and related average charges, including ancillary services and/or procedures that are commonly provided and billed with that procedure.

4. A count of the reported procedure charges is provided in cell C:72 to assist you in reporting the average charge for at least 25 procedures. Do not change this cell.

Regulatory Reporting Requirements for Submitting Form

As required by Section 96020 of Title 22 of the California Code of Regulations (CCR), submit the completed list of commonly charged outpatient procedures at the same time as the hospital chargemaster and the estimated percentage change in gross revenue due to price changes.

All documents required by the Payer's Bill of Rights must be submitted to OSHPD as an e-mail attachment to chargemaster@oshpd.ca.gov or mailed to OSHPD on CD-ROM.

Acceptable file formats for documents required by the Payer's Bill of Rights include Microsoft Excel (.xls) and comma separated value (.csv).

The completed form may be submitted as a separate Excel file or as a separate worksheet in a single Excel file along with the chargemaster and the estimated percentage change in gross revenue due to price changes.

Print and retain a copy of the completed form for your records. AB 1045 requires each hospital to make this list available to any person upon request.

Technical Assistance

If you have any questions about AB 1627 or AB 1045, please send an e-mail to chargemaster@oshpd.ca.gov or call Patricia Burritt at (916) 326-3855.

A copy of the AB 1045 Common Outpatient Procedures reporting form is available at OSHPD's Hospital Chargemaster Program web-site located at: <http://www.oshpd.ca.gov/HID/Products/Hospitals/Chrgmstr/index.html>